

STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
601 DELAWARE AVENUE  
WILMINGTON, DELAWARE 19899

TAX NEWSGRAM 72-23

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PERSONAL INCOME TAX

- Individual Nonresident Income Tax Return

QUESTION: The nonresident individual is required to list on line 1 of his Delaware return the Federal Adjusted Gross income. If he has filed a joint return and the spouse has income in the State of residence how is the spouse's income excluded? If excluded on line 2, it will distort the proration percentage.

The nonresident, therefore, should attach a schedule excluding spouse's income from the Joint Federal Adjusted Gross income which leaves his Federal Adjusted Gross income. The amount he shows as Federal Adjusted Gross income on line 1 is his Federal Adjusted Gross income

EXAMPLE

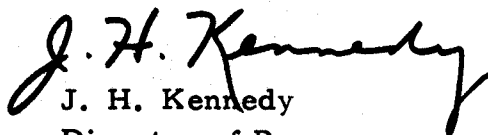
Assume that taxpayers who live in Pennsylvania filed joint Federal Income Tax return with adjusted gross income of \$15,000. The husband is employed in Delaware and has adjusted gross income of \$10,000. The wife is employed in Pennsylvania and has adjusted gross income of \$4,000. The husband has interest income of \$600 and the wife has interest income of \$400. The interest income is not taxable in Delaware.

Federal Adjusted Gross Income	
Joint return	\$15,000
Less: Income Wife	
Salary	\$4,000
Interest	400
	<u>4,400</u>
Income of Husband (Line 1 of separate return)	\$10,600
Line 2 Excludes Interest Income	600
Income applicable to Delaware	<u>\$10,000</u>

The interest would be excluded by each spouse on line 2 of each one's separate return to determine income applicable to Delaware.

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DISTRIBUTION: B and C

  
J. H. Kennedy  
Director of Revenue